

April 3, 1984

LB 1027

this only applies to Commonwealth, that has been stated repeatedly this time and last time, or last time at least. Wrong. This applies to three institutions. It applies to Commonwealth which will not be bought by United Banks or anybody else with a sane mind. It applies to State Securities. That is right, it applies to State Securities and it applies to American Savings in Omaha. If somebody is going to buy something, it isn't Commonwealth. I have reason to believe as do many of you here that indeed one of those other institutions may be the basis and real reason for this bill. I happen to believe that and if the bill passes, you will discover that too. Third, the bill does not, contrary to what the committee statement says, the bill does not, contrary to what the committee statement says or what you have been told by United Banks, have right of first refusal. Read the last paragraph. It is set up and designed in such a way that if an offer is made, if an offer is made and done in the right way, the Banking Director and all that discretion he has, it isn't there either. They shall accept that and you have got your interstate. Again, that is fine by me, but I am not going to let you vote for it on the basis that you think you are saving Commonwealth. Your chances for saving Commonwealth have repeatedly been brushed aside by this Legislature. When I negotiated with United Banks and I think when the Governor did too, because I sat in on those, we made it clear we wanted the legislation and we wanted them here if they were buying assets and they made it clear, no way, Jose'. They are getting a new bank charter that anybody can get in this state. They are buying a building and a location which is going to be worth that same amount of money to anybody and they are giving in return for coming into the state, a million dollars. One of the problems of this particular form of interstate is it doesn't have reciprocity. However, I happen to personally believe that if the legislation passes, you will have wide open interstate banking by next year and the Legislature will come back and provide the reciprocity. So I can live with that. I do support interstate banking. I do not support, I do not support your doing this under the illusion that you are saving Commonwealth. Commonwealth needs state dollars to make up for those losses. It needs a liquidating trust, and you

11665